

**Statement of Pauline Schneider, Esq.  
Vice Chairman, Business Transportation Action Coalition**

**-- Committee on Government Reform --  
Honorable Thomas M. Davis III, Chair  
July 28, 2005**

Chairman Davis, members of the Committee. My name is Pauline Schneider. I am partner at the law firm of Hunton and Williams and I served on the panel responsible for the Metro Funding Report issued in January 2005. I am a member of the Federal City Council and, in addition, I currently serve as a Vice Chair of the Business Transportation Action Coalition (BTRAC). BTRAC was formed by the Greater Washington Board of Trade, Federal City Council and the Downtown D.C. Business Improvement District for the purpose of educating the public at large and advocating balanced solutions to generate support of the need for dedicated long-term funding for Greater Washington's Metro system. As part of our process, our organization has reached out and received input and guidance from other organizations including the Fairfax and Montgomery Counties Chambers of Commerce, the Urban Land Institute, Washington Regional Network and Sierra Club, to name a few.

BTRAC's founding members, sponsors and participating organizations all agree on one fundamental premise: *we must secure a long-term dedicated funding for the Metro system to meet its current and future needs.*

Metro's 10-year \$2.4 billion additional funding need (\$300 million annually) was documented in the January 2005, *Report of the Metro Funding Panel.*

The report also emphasizes that the Washington Metropolitan Area Transit Authority (WMATA) is unique among major transit systems in the U.S. in that it has no major source of dedicated funds. Unfortunately, WMATA must annually appeal to two states, the District of Columbia, eight local jurisdictions and the federal government for funding and support.

Without the additional \$2.4 billion identified, Metro will be unable to pay for the maintenance and capital improvements necessary to counter the inevitable effects of an aging system or to purchase the rail cars and buses necessary to accommodate the increasing demands of an expanding ridership.

Key capital improvements expected to be funded by the additional revenues include:

- Relief from severe overcrowding through the purchase of 130 new rail cars and improvements to four maintenance and two storage facilities
- Accommodation of additional riders by station enhancements at Union Station, Gallery Place and Metro Center (new elevators and escalators, expanded mezzanines etc.) as well as station connections (e.g. between Farragut North and West and Gallery Place and Metro Center)
- 140 miles of bus corridor improvements and Metrobus Customer Facility improvements as well as the purchase of 275 new buses and construction of three bus garages to accommodate increased ridership.

Three additional points should be understood: This level of funding assumes that (1) paratransit costs are addressed separately, (2) state and local governments' contributions will increase by 5.3 percent annually (as

compared to the current average rate increase of 3.5 percent), and (3) modest fare increases will continue. However, if state and local contributions are frozen at their current levels, the amount of new dedicated funding required from federal, state, and local sources would increase to \$460 million per year.

The business community is very concerned about the implications and potential adverse affects on the system of the current lack of a dedicated funding source for WMATA. We also are not insensitive to the management and safety issues plaguing WMATA but feel comfortable that steps are being taken to address some of the operational problems which were highlighted in the recent articles in the Washington Post about Metro. Constant diligence on cost containment and organizational efficiencies are required from Metro's management. Notwithstanding these concerns, we do not want our transit system to experience a repeat of the deterioration and physical / operational decay that nearly destroyed the New York transit system in the 1970s. Such a downward spiral would negatively affect our region's mobility, economic prosperity, emergency preparedness, as well as our image as a world-class destination.

Since this is the nation's third most congested region, Metro is critical in providing an alternative to our increasingly clogged roadways since it carries the equivalent of 1,400 lane miles of highway every day. In addition, Metro provides the spine around which additional new transit oriented development can help accommodate the 2 million new residents forecast to locate in our region over the next 25 years.

Some would argue that the federal government has made substantial contributions to Metro in the past and should not be expected to continue such contributions. We have a different perspective. Of the 700,000 daily users of Metro, the largest single beneficiary is the federal government with over 40 percent of peak hour ridership passengers being federal employees. Most metro stations have been purposefully located adjacent to or in very close proximity to federal buildings, so the enormous benefits to the federal government continue.

In view of the above considerations, we respectfully urge you to provide maximum federal support to Metro in order to close the funding needs identified.

Thank you for this opportunity to comment.